

United States Attorney District of New Jersey

FOR IMMEDIATE RELEASE January 10, 2011 www.justice.gov/usao/nj

CONTACT: Rebekah Carmichael Office of Public Affairs (973) 645-2888

BAYONNE, NEW JERSEY MAN PLEADS GUILTY TO CONSPIRING TO EXTORT A LOCAL BUSINESSMAN

NEWARK, N.J. – A Bayonne, N.J., man pleaded guilty today to an extortion conspiracy charge stemming from a scheme to obtain a \$61,000 payment from a Bayonne businessman, United States Attorney Paul J. Fishman announced.

Peter Rinaldi, 45, pleaded guilty before United States District Judge William J. Martini to an Information charging him with one count of conspiracy to commit extortion. Rinaldi, who was originally arrested on February 1, 2010, was released on a \$200,000 bond to house arrest with electronic monitoring pending his sentencing.

According to documents filed in this case and statements made in Newark federal court:

In late 2009, a construction company and a development company in Bayonne were engaged in a billing dispute in which the construction company claimed that it was owed for labor and materials provided to the development company during the construction of a twelve-unit condominium project in Bayonne.

Rinaldi, whose relative ran the construction company, conspired to extort \$61,000 from a principal of the development company (the "Victim"), instructing a co-conspirator in late December 2009 to "strike fear" in the Victim. The Victim was hospitalized for a head injury after the co-conspirator hit him in the head with a bat. Several weeks after the assault, Rinaldi repeatedly called the Victim using a disposable cell phone and threatened continued violence if the victim did not pay the money.

Rinaldi made several telephone calls to the Victim on January 15, 2010, which were recorded by law enforcement, saying, among other things:

"You think it's a f----g game? You take [care] of what the f--k you gotta take care of by 4:30. . . . You live on [Victim's street] in f----g [Victim's city of residence]. . . . There ain't no f----g cops and there ain't no feds that are gonna help you this time. Okay. . . . You got an hour to take care of this.

During one of the calls, Rinaldi instructed the Victim to bring a check payable to the construction company in an envelope to a restaurant in Bayonne, place it on the counter, and leave. Rinaldi stated:

You hand'em the check. No questions asked and you get on your way. Ain't no one gonna do anything to you. But I'm telling you right now. I don't give a f--k who's listening to this conversation. Okay? I'm telling you on my kids, if you do anything foolish . . . there's people in front of your house right now. If you're foolish, you're only gonna get one person right now. Guess what? I got forty more f----g people who are gonna come sick at you.

Later that day, the Victim arrived at the restaurant and placed an envelope containing approximately \$61,000 in checks on the counter. At that time, a law enforcement officer observed Rinaldi in a vehicle parked across the street from the restaurant. Rinaldi then fled the scene while an employee from the restaurant attempted to bring the envelope to him. Afterward, Rinaldi called the employee and instructed him to destroy the envelope. The employee ripped the envelope up and flushed it down the toilet.

The next day, law enforcement played a recording of one of the calls for a principal of the construction company, who recognized Rinaldi's voice.

At sentencing, Rinaldi faces a maximum potential penalty of 20 years in prison and a fine of \$250,000, or twice the pecuniary gain or victim loss from the offense. Sentencing is scheduled for April 21, 2011.

U.S. Attorney Fishman credited special agents of the FBI, under the direction of Special Agent in Charge Michael B. Ward in Newark, and the Bayonne Police Department, under the direction of Chief Robert Kubert, with the investigation leading to today's guilty plea.

The government is represented by Assistant U.S. Attorney Anthony Moscato of the U.S. Attorney's Office Organized Crime/Gangs Unit in Newark.

11-015 ###

Defense Counsel: Frank P. Arleo, Esq.; Stacy Ann Biancamano, Esq., West Orange, N.J.